

**CITY OF BISMARCK POLICE PENSION FUND**  
**INVESTMENT PERFORMANCE REPORT AS OF JANUARY 31, 2003**

	January-03				December-02				September-02				Current Fiscal YTD	Prior Year FY02	3 Years Ended 6/30/2002	5 Years Ended 6/30/2002
	Allocation		Policy	Net ROR	Allocation		Quarter Net ROR	Quarter Net ROR	Allocation		Quarter Net ROR	Quarter Net ROR	Net ROR	Net ROR	Net	Net
	Market Value	Actual			Market Value	Actual			Market Value	Actual						
<b>LARGE CAP DOMESTIC EQUITY</b>																
<i>Structured Growth</i>																
AllianceBernstein	213,240	2.1%	2.6%	-2.42%	218,475	2.2%	2.6%	3.03%	209,026	2.2%	2.6%	-13.56%	-13.10%	-28.98%	-16.11%	N/A
Russell 1000 Growth				-2.43%				7.15%				-15.05%	-11.19%	-26.49%	-16.15%	N/A
<i>Structured Value</i>																
LSV	496,679	5.0%	5.1%	-2.85%	510,993	5.1%	5.1%	6.44%	473,090	4.9%	5.1%	-18.29%	-15.51%	2.72%	5.54%	N/A
Russell 1000 Value				-2.42%				9.22%				-18.77%	-13.43%	-8.96%	-4.87%	N/A
<i>Enhanced Russell 1000 Index</i>																
LA Capital (Wilshire)	476,931	4.8%	5.1%	-2.02%	486,677	4.8%	5.1%	6.92%	448,781	4.7%	5.1%	-16.27%	-12.29%	-17.00%	N/A	N/A
Russell 1000				-2.42%				8.16%				-16.91%	-12.31%	-17.89%	N/A	N/A
<i>Enhanced S&amp;P 500 Index</i>																
Northern Trust	462,942	4.6%	5.1%	-2.62%	475,644	4.7%	5.1%	8.10%	433,772	4.5%	5.1%	-16.71%	-12.32%	-16.98%	N/A	N/A
Strong	471,581	4.7%	5.1%	-2.22%	481,321	4.8%	5.1%	10.08%	430,980	4.5%	5.1%	-16.75%	-10.39%	-20.23%	N/A	N/A
Westridge	579,950	5.8%	5.1%	-2.62%	591,988	5.9%	5.1%	8.52%	539,941	5.6%	5.1%	-17.19%	-12.49%	-17.54%	N/A	N/A
Total Enhanced S&P 500 Index	1,514,474	15.2%	15.4%	-2.50%	1,548,953	15.4%	15.4%	8.87%	1,404,693	14.7%	15.4%	-17.76%	-11.76%	-18.88%	N/A	N/A
S&P 500				-2.62%				8.44%				-17.28%	-12.65%	-17.98%	N/A	N/A
<i>S&amp;P 500 Index</i>																
State Street	552,358	5.5%	6.0%	-2.62%	567,215	5.6%	6.0%	8.45%	489,269	5.1%	6.0%	-17.26%	-12.62%	-17.96%	-9.14%	3.67%
S&P 500				-2.62%				8.44%				-17.28%	-12.65%	-17.98%	-9.18%	3.67%
<b>TOTAL LARGE CAP DOMESTIC EQUITY</b>	<b>3,253,682</b>	<b>32.6%</b>	<b>34.3%</b>	<b>-2.50%</b>	<b>3,332,313</b>	<b>33.2%</b>	<b>34.3%</b>	<b>7.69%</b>	<b>3,024,858</b>	<b>31.6%</b>	<b>34.3%</b>	<b>-16.78%</b>	<b>-12.62%</b>	<b>-17.13%</b>	<b>-9.48%</b>	<b>2.68%</b>
S&P 500				-2.62%				8.44%				-17.28%	-12.65%	-17.98%	-9.18%	3.67%
<b>SMALL CAP DOMESTIC EQUITY</b>																
<i>Manager-of-Managers</i>																
SEI	945,173	9.5%	10.7%	-2.62%	970,351	9.7%	10.7%	5.19%	922,725	9.6%	10.7%	-19.10%	-17.13%	-11.87%	N/A	N/A
Russell 2000 + 200bp				-2.60%				6.66%				-20.90%	-17.83%	-6.68%	N/A	N/A
<b>TOTAL SMALL CAP DOMESTIC EQUITY</b>	<b>945,173</b>	<b>9.5%</b>	<b>10.7%</b>	<b>-2.62%</b>	<b>970,351</b>	<b>9.7%</b>	<b>10.7%</b>	<b>5.19%</b>	<b>922,725</b>	<b>9.6%</b>	<b>10.7%</b>	<b>-19.10%</b>	<b>-17.13%</b>	<b>-11.87%</b>	<b>1.18%</b>	<b>1.95%</b>
Russell 2000				-2.77%				6.16%				-21.40%	-18.87%	-8.59%	1.67%	4.44%
<b>INTERNATIONAL EQUITY</b>																
<i>Large Cap - Core</i>																
State Street	98,696	1.0%	1.1%	-4.69%	103,595	1.0%	1.1%	4.11%	83,560	0.9%	1.1%	-19.99%	-20.61%	-11.74%	-6.76%	-2.26%
MSCI EAFE - 50% Hedged				-4.94%				4.04%				-20.02%	-20.90%	-14.62%	-5.75%	0.27%
<i>Large Cap - Active</i>																
Capital Guardian	253,260	2.5%	2.8%	-4.68%	265,555	2.6%	2.8%	7.35%	217,879	2.3%	2.8%	-21.50%	-19.66%	-13.17%	-1.00%	5.76%
Bank of Ireland	51,140	0.5%	0.6%	-5.66%	54,178	0.5%	0.6%	7.13%	47,141	0.5%	0.6%	-21.60%	-20.77%	N/A	N/A	N/A
Total Large Cap - Active	304,400	3.0%	3.3%	-4.84%	319,732	3.2%	3.3%	7.31%	265,020	2.8%	3.3%	-21.51%	-19.85%	-12.19%	-0.63%	6.00%
MSCI EAFE - 50% Hedged				-4.94%				4.04%				-20.02%	-20.90%	-14.62%	-5.75%	0.27%
<i>Small Cap - Active</i>																
Lazard	57,081	0.6%	0.6%	-1.76%	58,064	0.6%	0.6%	3.95%	52,841	0.6%	0.6%	-17.39%	-15.64%	N/A	N/A	N/A
Wellington	56,514	0.6%	0.6%	-2.58%	57,961	0.6%	0.6%	7.10%	50,679	0.5%	0.6%	-17.35%	-13.76%	N/A	N/A	N/A
Total Small Cap - Active	113,596	1.1%	1.1%	-2.17%	116,025	1.2%	1.1%	5.49%	103,520	1.1%	1.1%	-17.37%	-14.72%	N/A	N/A	N/A
SSB BROAD MARKET INDEX < \$2BN				-1.50%				1.85%				-15.30%	-15.03%	N/A	N/A	N/A
<b>TOTAL INTERNATIONAL EQUITY</b>	<b>516,692</b>	<b>5.2%</b>	<b>5.5%</b>	<b>-4.24%</b>	<b>539,352</b>	<b>5.4%</b>	<b>5.5%</b>	<b>6.24%</b>	<b>452,099</b>	<b>4.7%</b>	<b>5.5%</b>	<b>-20.31%</b>	<b>-18.93%</b>	<b>-10.49%</b>	<b>-2.94%</b>	<b>2.40%</b>
MSCI EAFE - 50% Hedged				-4.94%				4.04%				-20.02%	-20.90%	-14.62%	-5.75%	0.27%
<b>EMERGING MARKETS EQUITY</b>																
<i>Capital Guardian</i>																
Capital Guardian	186,172	1.9%	2.0%	-2.21%	190,378	1.9%	2.0%	11.72%	170,414	1.8%	2.0%	-16.68%	-8.97%	-5.69%	-5.69%	-6.04%
MSCI Emerging Markets Free				-0.44%				10.04%				-16.30%	-8.30%	1.30%	-6.34%	-8.42%
<b>DOMESTIC FIXED INCOME</b>																
<i>Core Bond</i>																
Western Asset	496,114	5.0%	4.5%	1.01%	490,859	4.9%	4.5%	2.49%	529,988	5.5%	4.6%	3.66%	7.31%	8.87%	8.93%	8.26%
Lehman Aggregate				0.09%				1.57%				4.58%	6.31%	8.62%	8.10%	7.57%
<i>Active Duration</i>																
Criterion	490,568	4.9%	4.5%	0.31%	489,559	4.9%	4.5%	2.69%	522,381	5.5%	4.6%	2.57%	5.66%	6.00%	7.60%	7.09%
Lehman Aggregate				0.09%				1.57%				4.58%	6.31%	8.62%	8.10%	7.57%

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	January-03				December-02				September-02				Current	Prior Year	3 Years	5 Years
	Market Value	Allocation	Actual	Policy	Net ROR	Market Value	Allocation	Quarter	Market Value	Allocation	Quarter	Net ROR	Net ROR	Net ROR	6/30/2002	6/30/2002
								Net ROR							Net	Net
<b>Index</b>																
Bank of ND	588,745	5.9%	6.3%	0.05%		584,955	5.8%	6.3%	1.40%		630,199	6.6%	6.2%	5.96%	7.49%	9.56%
Bank of ND Match Loan CD Program	121,620	1.2%	1.2%	0.46%		123,116	1.2%	1.2%	1.43%		122,869	1.3%	1.3%	1.44%	3.37%	5.79%
<b>Total Index</b>	<b>710,365</b>	<b>7.1%</b>	<b>7.5%</b>	<b>0.16%</b>		<b>708,071</b>	<b>7.0%</b>	<b>7.5%</b>	<b>1.38%</b>		<b>753,068</b>	<b>7.9%</b>	<b>7.5%</b>	<b>4.78%</b>	<b>6.40%</b>	<b>9.68%</b>
Lehman Gov/Credit				0.00%					1.73%					5.70%	7.52%	8.24%
															7.85%	7.47%
<b>Convertibles</b>																
<b>TCW</b>	<b>502,263</b>	<b>5.0%</b>	<b>4.5%</b>	<b>1.41%</b>		<b>495,377</b>	<b>4.9%</b>	<b>4.5%</b>	<b>8.32%</b>		<b>469,167</b>	<b>4.9%</b>	<b>4.6%</b>	<b>-9.90%</b>	<b>-1.03%</b>	<b>-21.20%</b>
First Boston Convertible Index				2.58%					9.83%					-8.56%	3.02%	-12.44%
															0.11%	N/A
<b>BBB Average Quality</b>																
<b>Strong</b>	<b>500,550</b>	<b>5.0%</b>	<b>4.5%</b>	<b>0.31%</b>		<b>498,785</b>	<b>5.0%</b>	<b>4.5%</b>	<b>4.11%</b>		<b>517,639</b>	<b>5.4%</b>	<b>4.6%</b>	<b>0.39%</b>	<b>4.84%</b>	<b>3.16%</b>
Lehman BBB				0.54%					4.59%					2.70%	8.00%	5.85%
															4.75%	N/A
<b>Timberland</b>																
<b>Evergreen (Wachovia)</b>	<b>468,964</b>	<b>4.7%</b>	<b>4.7%</b>	<b>6.38%</b>		<b>440,777</b>	<b>4.4%</b>	<b>4.4%</b>	<b>3.15%</b>		<b>376,236</b>	<b>3.9%</b>	<b>3.9%</b>	<b>-0.22%</b>	<b>9.48%</b>	<b>N/A</b>
															N/A	N/A
															N/A	N/A
<b>TOTAL DOMESTIC FIXED INCOME</b>	<b>3,168,824</b>	<b>31.7%</b>	<b>30.0%</b>	<b>1.38%</b>		<b>3,123,428</b>	<b>31.1%</b>	<b>30.0%</b>	<b>3.36%</b>		<b>3,168,478</b>	<b>33.1%</b>	<b>30.0%</b>	<b>0.71%</b>	<b>5.53%</b>	<b>2.56%</b>
Lehman Aggregate				0.09%					1.57%					4.58%	6.31%	8.62%
															8.10%	7.57%
<b>HIGH YIELD BONDS</b>																
<b>Western Asset</b>	<b>522,077</b>	<b>5.2%</b>	<b>5.0%</b>	<b>2.11%</b>		<b>511,276</b>	<b>5.1%</b>	<b>5.0%</b>	<b>7.64%</b>		<b>474,991</b>	<b>5.0%</b>	<b>5.0%</b>	<b>-3.24%</b>	<b>6.35%</b>	<b>-6.08%</b>
Lehman High Yield Bond Index				3.33%					6.74%					-2.93%	7.06%	-3.60%
															-2.31%	0.68%
<b>INTERNATIONAL FIXED INCOME</b>																
<b>International Core</b>																
<b>UBS Global (Brinson)</b>	<b>506,597</b>	<b>5.1%</b>	<b>4.5%</b>	<b>1.89%</b>		<b>497,032</b>	<b>4.9%</b>	<b>4.5%</b>	<b>6.06%</b>		<b>468,279</b>	<b>4.9%</b>	<b>4.5%</b>	<b>2.39%</b>	<b>10.65%</b>	<b>16.83%</b>
Salomon Brothers Non-US Gov't Bond Index				1.87%					6.06%					2.84%	11.12%	15.72%
															3.14%	3.03%
<b>REAL ESTATE</b>																
<b>J.P. Morgan</b>	<b>512,016</b>	<b>5.1%</b>	<b>5.0%</b>	<b>0.06%</b>		<b>571,063</b>	<b>5.7%</b>	<b>5.0%</b>	<b>1.90%</b>		<b>560,412</b>		<b>1.64%</b>	<b>3.63%</b>	<b>4.10%</b>	<b>9.60%</b>
NCREIF TOTAL INDEX				0.55%					1.67%					1.79%	4.06%	6.79%
															9.41%	11.96%
<b>ALTERNATIVE INVESTMENTS</b>																
Coral Partners V	62,320			0.00%		63,632			-7.89%		58,379			-17.47%	-23.98%	-46.32%
Coral Partners V - Supplemental	3,819			0.00%		3,933			-11.88%		4,077			-14.17%	-24.37%	N/A
Coral Partners VI	3,986			0.00%		4,621			-21.31%		3,377			N/A	N/A	N/A
Brinson 1998 Partnership Fund	11,313			0.00%		11,617			-7.89%		11,920			-3.97%	-11.55%	-15.23%
Brinson 1999 Partnership Fund	14,358			0.00%		14,744			-6.50%		13,470			-4.67%	-10.86%	-21.70%
Brinson 2000 Partnership Fund	20,855			0.00%		21,416			-1.66%		17,623			-6.93%	-8.48%	-14.95%
Brinson 2001 Partnership Fund	5,894			0.00%		6,052			-1.33%		5,652			-1.08%	-2.40%	-6.22%
Brinson 2002 Partnership Fund	3,952			0.00%		4,058			-2.74%		3,811			0.15%	-2.59%	N/A
Total Brinson Partnership Funds	56,372			0.00%		57,887			1.14%		52,477			-4.85%	-3.77%	N/A
Brinson 1999 Non-US Partnership Fund	7,126			0.00%		7,317			-2.36%		6,331			12.07%	9.43%	-7.68%
Brinson 2000 Non-US Partnership Fund	6,025			0.00%		6,187			-0.81%		5,036			7.00%	6.13%	-6.51%
Brinson 2001 Non-US Partnership Fund	2,599			0.00%		2,669			-1.54%		2,476			-1.47%	-2.99%	-4.85%
Brinson 2002 Non-US Partnership Fund	5,359			0.00%		5,503			-0.33%		1,934			N/A	N/A	N/A
Total Brinson Non-US Partnership Fund	21,108			0.00%		21,675			-1.48%		15,777			6.90%	5.32%	N/A
Brinson BVCF IV	39,719			0.00%		37,995			-9.29%		38,256			-2.76%	-11.79%	-29.16%
Matlin Patterson Global Opportunities	61,212			0.00%		62,857			0.00%		50,655			N/A	N/A	N/A
InvestAmerica	5,082			0.00%		5,218			3.02%		5,066			31.25%	35.21%	N/A
Hearthstone	27,393			0.00%		24,952			3.48%		26,404			11.34%	15.21%	4.99%
<b>TOTAL ALTERNATIVE INVESTMENTS</b>	<b>281,012</b>	<b>2.8%</b>	<b>3.0%</b>	<b>0.00%</b>		<b>282,771</b>	<b>2.8%</b>	<b>3.0%</b>	<b>-3.09%</b>		<b>254,466</b>	<b>2.7%</b>	<b>3.0%</b>	<b>-7.04%</b>	<b>-9.92%</b>	<b>-28.73%</b>
Post Venture Capital Index				0.00%					15.43%					-22.64%	-10.71%	-44.30%
															-26.03%	-6.83%
<b>CASH EQUIVALENTS</b>																
<b>Northern Trust STIF/STEP</b>	<b>96,028</b>	<b>1.0%</b>	<b>0.0%</b>	<b>0.25%</b>		<b>32,337</b>	<b>0.3%</b>	<b>0.0%</b>	<b>0.42%</b>		<b>70,446</b>	<b>0.7%</b>	<b>0.0%</b>	<b>0.68%</b>	<b>1.36%</b>	<b>2.29%</b>
90 Day T-Bill				0.10%					0.43%					0.45%	0.98%	2.63%
															4.67%	4.84%
<b>TOTAL FUND</b>	<b>9,988,272</b>	<b>100.00%</b>	<b>100.00%</b>	<b>-0.72%</b>		<b>10,050,303</b>	<b>100.00%</b>	<b>100.00%</b>	<b>4.99%</b>		<b>9,567,169</b>	<b>100.00%</b>	<b>100.00%</b>	<b>-9.04%</b>	<b>-5.19%</b>	<b>-7.26%</b>
POLICY TARGET BENCHMARK				-1.17%					5.77%					-9.21%	-5.10%	-5.38%
															-0.77%	5.32%

NOTE: Monthly returns and market values are preliminary and subject to change.